

Consumer Price Inflation

July 2020

Coverage: **UK**
Date: **19 August 2020**
Geographical Area: **UK**
Theme: **Economy**

CONTENTS

SUMMARY	2
CPIH SUMMARY	5
CPIH NOTABLE MOVEMENTS	8
CPIH DETAILED BRIEFING	9
RPI SUMMARY	28
RPI NOTABLE MOVEMENTS	30
RPI DETAILED BRIEFING	31
RECONCILIATION OF CPIH AND RPI	40
RPI MISCELLANEOUS DATA	41
OUTLOOK	42

This note is produced as background briefing for the Consumer Price Inflation Statistical Bulletin. Users who require authoritative figures should use the Consumer Price Inflation Statistical Bulletin or Consumer Price Inflation Dataset.

SUMMARY

COVID-19

As the restrictions due to the ongoing coronavirus (COVID-19) pandemic have been eased, the number of CPIH items that were unavailable to UK consumers in July has reduced to 12, as detailed in table 58 of the [Consumer price inflation dataset](#). This is down from 67 unavailable items for June, and 74 and 90 unavailable items for May and April, respectively. Overall, for the July 2020 CPIH index, we have collected a weighted total of 82.0% of comparable coverage collected previously (excluding unavailable items), although the coverage varies across the range of items.

Where items are unavailable due to the coronavirus, their movement has been imputed.

CPIH

The Consumer Prices Index including owner occupiers' housing costs (CPIH) is the most comprehensive measure of inflation. It extends the Consumer Prices Index (CPI) to include a measure of the costs associated with owning, maintaining and living in one's own home, known as owner occupiers' housing costs (OOH), along with Council Tax. Both of these are significant expenses for many households and are not included in the CPI.

Aside from including owner occupiers' housing costs (OOH) and Council Tax, CPIH is otherwise identical to CPI. This means that, aside from these two components, the factors contributing to the CPI rate are the same as those contributing to the CPIH. For example, if food is reported as increasing the CPIH rate, it is also acting to increase the CPI rate. The size of the contributions for components other than OOH and Council Tax are exaggerated in the CPI compared with the CPIH because they account for a larger proportion of the overall index.

The [National Statistics](#) status of the CPIH was reinstated on 31 July 2017. [A letter](#) from the Director General for Regulation to the National Statistician detailed the actions that were taken to meet the requirements as set out in the [CPIH assessment report](#).

The main movements for CPIH in July 2020 are:

- The all items CPIH is 109.2, up from 108.8 in June.
- The all items CPIH annual rate is 1.1%, up from 0.8% in June.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 1.0%, up from 0.7% last month.
- The OOH component of CPIH is 108.0, up from 107.9 in June.
- The OOH component annual rate is 1.1%, down from 1.2% last month.
- The CPIH all goods index is 105.0, up from 104.9 in June.
- The CPIH all goods index annual rate is 0.0%, up from -0.5% last month.

- The CPIH all services index is 112.2, up from 111.6 in June.
- The CPIH all services index annual rate is 2.0%, up from 1.7% last month.

Consumer Prices Index (CPI)

The CPI continues to be a National Statistic and is a measure of consumer price inflation produced to international standards and in line with European regulations. First published in 1997 as the Harmonised Index of Consumer Prices (HICP), the CPI is the inflation measure used in the government's target for inflation.

The CPI is also used for purposes such as uprating pensions, wages and benefits and can aid in the understanding of inflation on family budgets. For more information see [Users and uses of consumer price inflation statistics](#).

The main movements for CPI in July 2020 are:

- The all items CPI is 109.1, up from 108.6 in June.
- The all items CPI annual rate is 1.0%, up from 0.6% in June.
- The annual rate for CPI excluding indirect taxes, CPIY, is 1.0%, up from 0.5% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 1.0%, up from 0.5% last month.
- The CPI all goods index is 105.0, unchanged from last month.
- The CPI all goods index annual rate is 0.0%, up from -0.5% last month.
- The CPI all services index is 113.5, up from 112.6 in June.
- The CPI all services index annual rate is 2.1%, up from 1.8% last month.

Retail Prices Index (RPI)

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. The [full assessment report](#) can be found on the UK Statistics Authority website.

The RPI is a legacy measure of UK inflation that continues to be published because of its use in long-term contracts and index-linked gilts. For further information see [Users and uses of consumer price inflation statistics](#).

The UK Statistics Authority recommended in 2019 that the publication of the RPI should be stopped at a point in the future and that in the interim, the shortcomings of the RPI should be addressed by introducing CPIH data sources and methods into its production. The Authority and HM Treasury have launched a [consultation](#) on the Authority's proposal to address the shortcomings of the RPI. HM Treasury is consulting on the appropriate timing for the proposed

changes to the RPI to take place. The Authority is consulting on how to make its proposed methodological changes to the RPI in a way that follows best statistical practice. The consultation was originally scheduled to run until 22 April 2020 but, because of the coronavirus (COVID-19) pandemic, the period has been extended to 21 August 2020. The UK Statistics Authority and HM Treasury have agreed that they cannot conclude a meaningful consultation with businesses and individuals focused on mitigating the challenges that this public health and economic emergency has created.

The main movements for RPI in July 2020 are:

- The all items RPI is 294.2, up from 292.7 in June.
- The all items RPI annual rate is 1.6%, up from 1.1% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 1.9%, up from 1.3% last month.
- The all goods RPI is 219.0, up from 218.6 in June.
- The all goods RPI annual rate is 1.0%, up from 0.1% last month.
- The all services RPI is 410.3, up from 406.9 in June.
- The all services RPI annual rate is 2.2%, up from 2.0% last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
01: Food and non-alcoholic beverages	82	79	0.1	-0.3	-0.03
02: Alcoholic beverages and tobacco	32	32	-0.1	0.4	0.02
03: Clothing and footwear	54	51	-2.9	-0.7	0.12
04: Housing, water, electricity, gas and other fuels	298	296	0.1	0.1	0.02
05: Furniture, household equipment and maintenance	53	50	-1.7	-0.4	0.07
06: Health	22	22	0.1	1.0	0.02
07: Transport	123	120	0.4	1.3	0.10
08: Communication	20	17	-	0.4	0.01
09: Recreation and culture	127	136	1.1	1.1	0.01
10: Education	18	24	-	-	-
11: Restaurants and hotels	97	96	0.8	0.8	-
12: Miscellaneous goods and services	74	77	-0.1	-	0.01

Large upward effects came from:

- Clothing and footwear**, where prices overall fell by 0.7% between June and July 2020, compared with a fall of 2.9% between the same months in 2019. Ordinarily, prices for clothing and footwear experience a larger fall each year between June and July with items being placed on sale in preparation for the arrival of autumn product ranges. Throughout 2020, we have seen clothing and footwear prices follow a different trend compared with previous years, as we recorded increased discounting at the start of lockdown. The majority of the upward contribution came from women's garments, where prices fell by 1.7% between June and July 2020, compared with a 4.4% fall between the same two months in 2019. Men's and children's clothes had smaller upward contributions to the CPIH 12-month

inflation rate but, where menswear followed the same movement as womenswear, prices for children's clothes rose by 0.1% between June and July 2020 but fell by 2.6% between June and July 2019, with the stand out movements coming from clothes for children aged under four years old and from T-shirts for older boys. There was also a small upward contribution (of 0.02 percentage points) across men's and women's footwear;

- **Transport**, where most of the movement came from fuels and lubricants. Following falls in petrol and diesel prices in February 2020 and since lockdown started, prices at the pump have started to increase as movement restrictions eased. Between June and July 2020, petrol prices rose by 4.9 pence per litre, to stand at 111.4 pence per litre, and diesel prices rose by 4.0 pence per litre, to stand at 116.7 pence per litre. In comparison, between June and July 2019, petrol and diesel prices fell by 0.9 and 2.3 pence per litre, to stand at 127.3 and 132.0 pence per litre, respectively. This month's rise in petrol prices was the largest monthly increase since between December 2010 and January 2011, when prices rose by 5.4 pence per litre (to stand at 127.4 pence per litre). In addition to the upward contribution to the CPIH 12-month rate from fuels and lubricants, there was a small upward contribution (of 0.01 percentage points) from transport services. As government travel restrictions were eased, there were upward contributions from coach and sea fares, where prices rose between June and July 2020 by more than a year ago. These were partially offset by small downward contributions from air and international rail fares. Airfares rose by 9.4% between June and July 2020 compared with a larger increase of 12.0% between the same two months in 2019. Elsewhere in the transport division, there was a small, partially offsetting downward contribution from the purchase of vehicles, where prices overall were unchanged between June and July 2020 but rose by 0.2% between June and July 2019; and
- **Furniture, household equipment and maintenance**, where prices within this broad group of items, overall, fell by 0.4% between June and July 2020, compared with a 1.7% fall between June and July 2019. The only two stand out items were single beds and bath sheets, which both rose in price between June and July this year but fell in price between the same months a year ago.

Small upward effects came from:

- **Health**, where prices overall rose by 1.0% between June and July this year, compared with a rise of 0.1% a year ago. The effect came almost entirely from private dental examinations and non-NHS physiotherapy sessions, where price collectors reported that prices had risen, in part, as companies make their workplace COVID-secure;
- **Alcoholic beverages and tobacco**, where overall prices across a range of spirits increased by 0.6% between June and July 2020, but fell by 1.4% in 2019. Prices for cigarettes also rose this year but were little changed a year ago; and

- **Housing and household services**, where average charges for registered social landlord (RSL) rents rose between June and July 2020, but were little changed between the same two months a year ago. There was a partially offsetting downward movement from owner occupiers' housing (OOH) costs, where charges in England increased this year by less than a year ago.

A small downward effect came from:

- **Food and non-alcoholic beverages**, with food prices falling by 0.3% this year, compared with a rise of 0.1% a year ago. The effect comprised small movements from a variety of product groups, including fruit, vegetables (including potatoes and tubers), fish, meat, and milk, cheese and eggs. There was a partially offsetting small upward contribution (of 0.01 percentage points) from bread and cereals, where prices of packs of individual cakes, chilled pizzas and breakfast cereals rose this year but fell a year ago.

CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +1.1%, up from +0.8% last month Highest since March 2020 (+1.5%)
All items CPIH excl. energy, food, alcohol and tobacco	Annual rate +1.8%, up from +1.5% last month Highest since July 2019 (+1.9%)
Food and non-alcoholic beverages	Annual rate +0.8%, down from +1.2% last month Lowest since April 2019 (+0.7%)
Health	Annual rate +3.2%, up from +2.2% last month Also +3.2% in March 2020, December 2017 and November 2017 Last higher in October 2017 (+3.3%)
All goods	Annual rate 0.0%, up from -0.5% last month Highest since March 2020 (+0.6%)
All services	Annual rate +2.0%, up from +1.7% last month Highest since March 2020 (+2.2%)

CPIH DETAILED BRIEFING

The [National Statistics](#) status of the Consumer Prices Index including owner occupiers' housing costs (CPIH) was reinstated on 31 July 2017. [A letter](#) from the Director General for Regulation to the National Statistician detailed the actions that were taken to meet the requirements as set out in the [CPIH assessment report](#).

- Weights are specified as parts per 1000 in the CPIH.

01 FOOD AND NON-ALCOHOLIC BEVERAGES	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	82	79	0.1	-0.3	-0.03

- Largest downward effect on the all items 12-month rate change.
- Due to **food**.

01.1 Food	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
01.1 Food	72	71	0.1	-0.3	-0.03
01.1.1 Bread and cereals	12	13	0.6	1.3	0.01
01.1.2 Meat	15	14	-0.3	-0.8	-0.01
01.1.3 Fish	3	3	1.1	-1.6	-0.01
01.1.4 Milk, cheese and eggs	9	8	-0.1	-0.8	-0.01
01.1.5 Oils and fats	2	2	3.0	4.4	-
01.1.6 Fruit	8	9	-0.9	-2.0	-0.01
01.1.7 Vegetables including potatoes	11	11	0.5	-0.5	-0.01
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	9	-0.2	0.2	-
01.1.9 Food products not elsewhere covered	2	2	0.3	-0.7	-

- Small downward effect on the all items 12-month rate change.
- Due to **fruit; vegetables including potatoes; fish; meat; and milk, cheese and eggs**.
- Partially offset by **bread and cereals**.

Bread and cereals

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contributions coming from packs of individual cakes, chilled pizzas and breakfast cereals.

- Partially offset by a small downward contribution coming from whole sponge cakes, where prices overall fell this year but rose a year ago.

Meat

- Small downward effect.
- Prices overall fell this year by more than a year ago, particularly for prepacked sliced cooked ham.

Fish

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for frozen fish fingers.

Milk, cheese and eggs

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from cheese.

Fruit

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from blueberries.

Vegetables including potatoes

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for premium potato crisps.
- Partially offset by a small upward contribution coming from multi-packs of potato crisps, where prices overall rose this year but fell a year ago.

01.2 Non-alcoholic beverages	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019 Feb-Dec	2020 Feb-Dec	% change Jul 2019	% change Jul 2020	
01.2 Non-alcoholic beverages	10	8	-0.1	-0.3	-
01.2.1 Coffee, tea and cocoa	3	2	0.5	4.2	0.01
01.2.2 Mineral waters, soft drinks and juices	7	6	-0.4	-1.7	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **mineral waters, soft drinks and juices**, where prices overall fell this year by more than a year ago.
- Offset by a small upward contribution coming from **coffee, tea and cocoa**, where prices

overall rose this year by more than a year ago, particularly for instant coffee.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	32	32	-0.1	0.4	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **alcoholic beverages** and **tobacco**.

02.1 Alcoholic Beverages	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	15	16	-0.3	0.3	0.01
02.1.1 Spirits	4	5	-1.4	0.6	0.01
02.1.2 Wine	7	7	-0.4	-0.4	-
02.1.3 Beer	4	4	0.9	1.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **spirits**, where prices overall rose this year but fell a year ago.

02.2 Tobacco	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
02.2 Tobacco	17	16	-	0.5	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but were little changed a year ago, with the main upward contribution coming from cigarettes.

03 CLOTHING AND FOOTWEAR	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
03 Clothing and footwear	54	51	-2.9	-0.7	0.12

- Largest upward effect on the all items 12-month rate change.
- Due to **clothing** and, to a lesser extent, **footwear including repairs**.

03.1 Clothing	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019	2020	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	
03.1 Clothing	45	43	-3.1	-1.0	0.10
03.1.2 Garments	41	38	-3.3	-1.0	0.10
03.1.3 Other clothing and clothing accessories	3	4	-1.5	-1.0	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.1	0.8	-

- Large upward effect on the all items 12-month rate change.
- Due to **garments**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from garments for women, in particular formal trousers, casual jackets, jumpers, nightdresses/pyjamas, cardigans and dresses; garments for infants and children, in particular jumpers/sweatshirts/cardigans, T-shirts, trousers and pyjamas; and men's casual jackets/coats. Partially offset by a small downward contribution coming from women's short sleeve/sleeveless formal tops, where prices overall fell this year by more than a year ago.

03.2 Footwear including repairs	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019	2020	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	
03.2 Footwear including repairs	9	8	-1.4	0.4	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago, with the main upward contribution coming from footwear for men, where prices overall rose this year but fell a year ago, and footwear for women, where prices overall fell this year by less than a year ago.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019	2020	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	
04 Housing, water, electricity, gas and other fuels	298	296	0.1	0.1	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **actual rentals for housing**.
- Partially offset by **owner occupiers' housing costs**.

04.1 Actual rentals for housing	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
04.1 Actual rentals for housing	69	68	-	0.4	0.03

- Small upward effect on the all items 12-month rate change.
- Average charges rose this year but were little changed a year ago, with the main upward contribution coming from Registered Social Landlord (RSL) rents.

04.2 Owner occupiers' housing costs	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
04.2 Owner occupiers' housing costs	165	163	0.2	0.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Charges overall rose this year by less than a year ago, particularly for England.

04.3 Regular maintenance and repair of the dwelling	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	3	2	-	-0.3	-
04.3.1 Materials for maintenance and repair	1	1	-0.3	-0.6	-
04.3.2 Services for maintenance and repair	2	1	0.1	-	-

- Negligible overall effect on the all items 12-month rate change.

04.4 Other services related to the dwelling	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
04.4 Other services related to the dwelling	9	9	-	-	-
04.4.1 Water supply	4	4	-	-	-
04.4.3 Sewerage collection	5	5	-	-	-

- Negligible overall effect on the all items 12-month rate change.

04.5 Electricity, gas and other fuels	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	26	27	-	-	-
04.5.1 Electricity	14	15	-	-0.1	-
04.5.2 Gas	10	10	-	-	-
04.5.3 Liquid fuels	1	1	-0.6	0.8	-
04.5.4 Solid fuels	1	1	-0.2	0.4	-

- Negligible overall effect on the all items 12-month rate change.

04.9 Council Tax and rates	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
04.9 Council Tax and rates	26	27	-	-	-

- Negligible overall effect on the all items 12-month rate change.

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	53	50	-1.7	-0.4	0.07

- Large upward effect on the all items 12-month rate change.
- Due to **furniture, furnishings and carpets; household textiles; household appliances, fitting and repairs; and glassware, tableware and household utensils.**

05.1 Furniture, furnishings and carpets	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	22	17	-2.6	-1.7	0.03
05.1.1 Furniture and furnishings	15	14	-3.5	-1.8	0.03
05.1.2 Carpets and other floor coverings	7	3	-0.5	-0.9	-

- Small upward effect on the all items 12-month rate change.
- Due to **furniture and furnishings**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from items of bedroom furniture. In particular, average prices for single beds rose this year but fell a year ago.

05.2 Household textiles	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05.2 Household textiles	5	6	-2.6	0.8	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago, particularly for bed linen and bath sheets.

05.3 Household appliances, fitting and repairs	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	8	8	-1.2	0.8	0.02
05.3.1/2 Major appliances and small electric goods	7	7	-1.5	0.6	0.02
05.3.3 Repair of household appliances	1	1	0.2	1.9	-

- Small upward effect on the all items 12-month rate change.
- Due to **major appliances and small electric goods**, where prices overall rose this year but fell a year ago.

05.4 Glassware, tableware and household utensils	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	4	6	-2.2	0.4	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago, particularly for non-electric kitchen utensils.

05.5 Tools and equipment for house and garden	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	5	5	-0.3	-0.6	-

- Negligible overall effect on the all items 12-month rate change.

05.6 Goods and services for routine maintenance	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	9	8	-	-0.2	-
05.6.1 Non-durable household goods	3	3	-0.2	-0.7	-
05.6.2 Domestic services and household services	6	5	0.1	0.1	-

- Negligible overall effect on the all items 12-month rate change.

06 HEALTH	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
06 Health	22	22	0.1	1.0	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **out-patient services** and **hospital services**.

06.1 Medical products, appliances and equipment	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	9	12	-0.1	-0.2	-
06.1.1 Pharmaceutical products	5	8	-0.1	-	-
06.1.2/3 Other medical and therapeutic equipment	4	4	-	-0.5	-

- Negligible overall effect on the all items 12-month rate change.

06.2 Out-patient services	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
06.2 Out-patient services	8	6	0.2	2.9	0.02
06.2.1/3 Medical and paramedical services	5	4	0.2	1.9	0.01
06.2.2 Dental services	3	2	0.1	5.1	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **dental services**; and **medical and paramedical services**, where prices overall rose this year by more than a year ago, particularly for basic private dental examinations and non-

NHS physiotherapy sessions.

- These items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

06.3 Hospital services	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
06.3 Hospital Services	5	4	0.2	1.8	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago.

07 TRANSPORT	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
07 Transport	123	120	0.4	1.3	0.10

- Large upward effect on the all items 12-month rate change.
- Due to **operation of personal transport equipment** and, to a lesser extent, **transport services**.
- Partially offset by **purchase of vehicles**.

07.1 Purchase of vehicles	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	37	35	0.2	-	-0.01
07.1.1A New cars	21	19	0.2	0.9	0.01
07.1.1B Second-hand cars	14	14	0.3	-1.2	-0.02
07.1.2/3 Motorcycles and bicycles	2	2	-0.2	0.6	-

- Small downward effect on the all items 12-month rate change.
- Due to **second-hand cars**, where prices overall fell this year but rose a year ago.
- Partially offset by **new cars**, where prices overall rose this year by more than a year ago.

07.2 Operation of personal transport equipment	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	60	62	-0.5	1.2	0.10
07.2.1 Spare parts and accessories	4	4	0.2	0.3	-
07.2.2 Fuels and lubricants	24	25	-1.1	4.2	0.12
07.2.3 Maintenance and repairs	20	21	-0.1	-1.1	-0.02
07.2.4 Other services	12	12	-	0.4	0.01

- Large upward effect on the all items 12-month rate change.
- Due to **fuels and lubricants**; and, to a lesser extent, **other services**.
- Partially offset by **maintenance and repairs**.

Fuels and lubricants

- Large upward effect.
- Prices overall rose this year but fell a year ago.
- The average price of petrol across the month, as recorded for the CPIH, rose by 4.9 pence per litre between June and July 2020, to stand at 111.4 pence per litre.
- Last year, the average price of petrol fell by 0.9 pence per litre between June and July 2019, to stand at 127.3 pence per litre.
- The average price of diesel rose by 4.0 pence per litre between June and July 2020, to stand at 116.7 pence per litre, compared with a fall of 2.3 pence per litre a year earlier, to stand at 132.0 pence per litre.

Maintenance and repairs

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from roadside recovery services and car repairs.
- Partially offset by a small upward contribution coming from exhaust fitting in Fast Fit centres, where prices overall rose this year by more than a year ago.

Other services

- Small upward effect.
- Prices overall rose this year but were little changed a year ago.

07.3 Transport services	Weight	Weight	1 month	1 month	Contribution
	2019	2020	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	rate change
07.3 Transport services	26	23	2.6	3.4	0.01
07.3.1 Passenger transport by railway	11	9	-	-1.1	-0.01
07.3.2 Passenger transport by road	9	8	0.7	3.3	0.02
07.3.3 Passenger transport by air	4	4	12.0	9.4	-0.01
07.3.4 Passenger transport by sea and inland waterway	2	2	2.0	8.1	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **passenger transport by road**; and **passenger transport by sea and inland waterway**.
- Partially offset by **passenger transport by air**; and **passenger transport by railway**.

Passenger transport by railway

- Small downward effect.
- Average fares fell this year but were little changed a year ago, particularly for international rail.
- International rail fares have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

Passenger transport by road

- Small upward effect.
- Average charges rose this year by more than a year ago, particularly for coach fares.
- Coach fares have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

Passenger transport by air

- Small downward effect.
- Average air fares rose this year by less than a year ago.
- These items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

Passenger transport by sea and inland waterway

- Small upward effect.
- Average fares rose this year by more than a year ago.

- These items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

08 COMMUNICATION	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
08 Communication	20	17	-	0.4	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **telephone equipment and services**.

08.1 Postal services	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
08.1 Postal services	1	1	-	-	-

- Negligible overall effect on the all items 12-month rate change.

08.2/3 Telephone equipment and services	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	19	16	-	0.4	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but were little changed a year ago, with the main upward contribution coming from bundled telecommunication services.

09 RECREATION AND CULTURE	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
09 Recreation and culture	127	136	1.1	1.1	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **package holidays** and, to a lesser extent, **books, newspapers and stationery; audio-visual equipment and related products; recreational and cultural services; and other major durables for recreation and culture**.

- Partially offset by **other recreational items, gardens and pets**.

09.1 Audio-visual equipment and related products	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	17	18	-1.3	-0.3	0.02
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	3	-1.3	-0.5	-
09.1.2 Photographic, cinematographic and optical equipment	2	2	0.6	0.7	-
09.1.3 Data processing equipment	7	7	1.0	1.9	0.01
09.1.4 Recording media	3	5	-7.8	-3.7	-
09.1.5 Repair of audio-visual equipment and related products	1	1	0.2	-	-

- Small upward effect on the all items 12-month rate change.
- Due to **data processing equipment**, where prices overall rose this year by more than a year ago, particularly for PC peripherals. Partially offset by a small downward contribution coming from computer software, where prices overall rose this year by less than a year ago

09.2 Other major durables for recreation and culture	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	14	14	0.1	0.7	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago, with the main upward contribution coming from boats.

09.3 Other recreational items, gardens and pets	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	30	33	5.0	0.7	-0.12
09.3.1 Games, toys and hobbies	18	16	8.4	2.0	-0.11
09.3.2 Equipment for sport and open-air recreation	2	3	0.6	1.1	-
09.3.3 Gardens, plants and flowers	3	5	0.1	-2.2	-0.01
09.3.4/5 Pets, related products and services	7	9	0.2	-0.1	-

- Large downward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**; and, to a lesser extent, **gardens, plants and flowers**.

Games, toys and hobbies

- Large downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contributions coming from computer game downloads and, to a lesser extent, computer game consoles, computer games and children's craft kits.

Gardens, plants and flowers

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for potted shrubs.
- Partially offset by a small upward contribution coming from spray carnations, where prices overall rose this year by more than a year ago.

09.4 Recreational and cultural services	Weight	Weight	1 month	1 month	Contribution
	2019	2020	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	rate change
09.4 Recreational and cultural services	22	28	0.2	0.7	0.02
09.4.1 Recreational and sporting services	6	8	0.5	0.5	-
09.4.2 Cultural services	16	20	0.1	0.8	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **cultural services**, where average charges rose this year by more than a year ago, with the main upward contributions coming from admission charges to cultural events and theatres. Partially offset by a small downward contribution coming from live music events.
- Live music and theatre admissions are unavailable due to the current coronavirus (COVID-19) pandemic so their movement has been imputed. Admissions to cultural events have been unavailable in recent months and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

09.5 Books, newspapers and stationery	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019	2020	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	
09.5 Books, newspapers and stationery	10	9	-0.1	1.8	0.02
09.5.1 Books	3	3	-0.1	3.4	0.01
09.5.2 Newspapers and periodicals	3	3	0.2	0.8	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	4	3	-0.3	1.3	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **books**; and **miscellaneous printed matter, stationery, drawing materials**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from hardback non-fiction books and greetings cards. Partially offset by a small downward contribution coming from paperback fiction books.

09.6 Package holidays	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019	2020	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	
09.6 Package holidays	34	34	0.4	2.4	0.07

- Large upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago.
- These items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection for certain holidays restarted in July. Therefore, in these cases the movement this month is in relation to the imputed index in June.

10 EDUCATION	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2019	2020	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2019	Jul 2020	
10 Education	18	24	-	-	-

- Negligible overall effect on the all items 12-month rate change.

11 RESTAURANTS AND HOTELS	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
11 Restaurants and hotels	97	96	0.8	0.8	-

- Negligible overall effect on the all items 12-month rate change.
- There is a large downward contribution coming from **accommodation services**.
- Offset by a large upward contribution coming from **catering services**.

11.1 Catering services	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
11.1 Catering services	76	80	0.2	1.1	0.08
11.1.1 Restaurants and cafes	70	74	0.2	1.2	0.07
11.1.2 Canteens	6	6	-	0.8	0.01

- Large upward effect on the all items 12-month rate change.
- Due to **restaurants and cafes**; and, to a lesser extent, **canteens**.

Restaurants and cafes

- Large upward effect.
- Prices overall rose this year by more than a year ago.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June. Other items are still unavailable, so their movement has been imputed.

Canteens

- Small upward effect.
- Prices overall rose this year but were little changed a year ago.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June. Other items are still unavailable, so their movement has been imputed.

11.2 Accommodation services	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
11.2 Accommodation services	21	16	3.1	-0.9	-0.08

- Large downward effect on the all items 12-month rate change.
- Prices overall fell this year but rose a year ago, particularly for overnight hotel accommodation.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12 Misc. goods and services	74	77	-0.1	-	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **social protection, personal effects not elsewhere covered and personal care**.
- Partially offset by **financial services not elsewhere covered, insurance and other services not elsewhere covered**.

12.1 Personal care	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12.1 Personal care	24	23	-0.2	0.1	0.01
12.1.1 Hairdressing and personal grooming establishments	6	6	0.3	4.0	0.02
12.1.2/3 Appliances and products for personal care	18	17	-0.4	-1.3	-0.02

- Small upward effect on the all items 12-month rate change.
- Due to **hairdressing and personal grooming establishments**.
- Partially offset by **appliances and products for personal care**.

Hairdressing and personal grooming establishments

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contributions coming from hairdressing for women and men.

- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

Appliances and products for personal care

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from toilet rolls, shower gel and toothpaste.
- Partially offset by small upward contributions coming from liquid soap and toothbrushes.

12.3 Personal effects not elsewhere covered	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	15	11	-0.8	-0.1	0.01
12.3.1 Jewellery, clocks and watches	10	7	-0.6	1.3	0.02
12.3.2 Other personal effects	5	4	-1.1	-2.5	-

- Small upward effect on the all items 12-month rate change.
- Due to **jewellery, clocks and watches**, where prices overall rose this year but fell a year ago, particularly for diamond solitaire rings.

12.4 Social protection	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12.4 Social protection	13	17	0.1	1.1	0.02

- Small upward effect on the all items 12-month rate change.
- Average playgroup fees rose this year by more than a year ago.
- This item has been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

12.5 Insurance	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12.5 Insurance	5	5	0.1	-1.1	-0.01
12.5.2 House contents insurance	1	1	1.1	-	-
12.5.3 Health insurance	2	2	0.5	0.3	-
12.5.4 Transport insurance	2	2	-0.7	-3.0	-

- Small downward effect on the all items 12-month rate change.
- Average premiums for car insurance fell this year by more than a year ago.

12.6 Financial services not elsewhere covered	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	8	8	0.6	-1.4	-0.02

- Small downward effect on the all items 12-month rate change.
- Charges overall fell this year but rose a year ago, with the main downward contribution coming from fees for money transfers.

12.7 Other services not elsewhere covered	Weight 2019 Feb-Dec	Weight 2020 Feb-Dec	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	9	13	0.2	-0.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year but rose a year ago, particularly for home delivery charges.

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
FOOD	101	102	-	-0.3	-0.04
CATERING	49	51	0.2	0.3	-
ALCOHOLIC DRINKS	59	62	-	1.2	0.07
TOBACCO	23	22	0.1	0.5	0.01
HOUSING	258	266	0.2	0.4	0.06
FUEL AND LIGHT	35	40	-0.1	-	0.02
HOUSEHOLD GOODS	68	67	-2.0	-1.0	0.07
HOUSEHOLD SERVICES	62	55	-	0.4	0.02
CLOTHING AND FOOTWEAR	39	37	-2.7	-0.5	0.09
PERSONAL GOODS AND SERVICES	43	42	-0.2	1.1	0.05
MOTORING EXPENDITURE	125	113	-0.5	0.5	0.12
FARES AND OTHER TRAVEL COSTS	28	26	5.7	5.0	-0.03
LEISURE GOODS	24	26	1.1	0.6	-0.01
LEISURE SERVICES	86	91	0.7	1.7	0.10

As a result of the [error identified in the Retail Prices Index \(RPI\) in 2019](#) (resulting from an issue with the 2017 and 2018 Living Costs and Food Survey (LCF) dataset, which is used to produce the weights underpinning the RPI), the 2019 RPI was based on two weight structures – prior to July 2019, on the incorrect basis and, from July 2019 onwards, on the corrected basis.

From February 2020, the new 2020 RPI weights structure has been implemented and it should be noted that contributions calculations will be based on the comparison between the latest 2020 weights structure and the structure used at the time of publication. This means that contribution

calculations between February 2020 and June 2020 are based on the uncorrected 2019 weights structure to ensure that no revisions are made to the RPI.

From July 2020 onwards, the contribution calculations are based on the correct 2019 weights structure.

.

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +1.6%, up from +1.1% last month Highest since March 2020 (+2.6%)
All items RPI excl. MIPS (RPIX)	Annual rate +1.9%, up from +1.3% last month Highest since March 2020 (+2.7%)
Seasonal food	Annual rate -1.5%, down from -0.3% last month Lowest since September 2016 (-1.7%)
Alcoholic drinks	Annual rate +2.5%, up from +1.3% last month Highest since February 2018 (+3.2%)
Clothing and footwear	Annual rate +6.7%, up from +4.4% last month Highest since May 2018 (+7.4%)
Personal goods and services	Annual rate +3.8%, up from +2.5% last month Also +3.8% in December 2012, February 2012 and December 2011 Last higher in November 2011 (+4.5%)
Leisure services	Annual rate +4.5%, up from +3.5% last month Highest since March 2019 (+4.7%)
All goods	Annual rate +1.0%, up from +0.1% last month Highest since March 2020 (+1.3%)
All services	Annual rate +2.2%, up from +2.0% last month Also +2.2% in May 2020 Last higher in April 2020 (+2.3%)

RPI DETAILED BRIEFING

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. A consultation was carried out in March 2013 on whether to maintain this detailed RPI briefing and, based on views received, it was decided to continue with its publication.

- Weights are specified as parts per 1000 in the RPI.

FOOD	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
FOOD	101	102	-	-0.3	-0.04

- Largest downward effect on the all items 12-month rate change.
- Due to **seasonal food** and **non-seasonal food**.

Seasonal Food	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-0.2	-1.4	-0.02
Home killed lamb	1	1	-0.9	-2.0	-
Fresh fish	2	2	-0.6	-0.8	-
Eggs	1	1	-0.6	0.3	-
Unprocessed potatoes	1	1	-0.1	-1.1	-
Other fresh vegetables	6	6	0.7	-0.6	-0.01
Fresh fruit	7	7	-0.8	-2.5	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - Other fresh vegetables**, where prices overall fell this year but rose a year ago; and
 - Fresh fruit**, where prices overall fell this year by more than a year ago.

Non-Seasonal Food	Weight	Weight	1 month	1 month	Contribution
	Jul 2019 onwards	2020	% change Jul 2019	% change Jul 2020	to RPI annual rate change
NON-SEASONAL FOOD	83	84	0.1	-0.1	-0.01
Bread	3	3	1.3	-0.2	-
Cereals	3	3	0.4	0.1	-
Biscuits and cakes	6	6	1.3	2.6	0.01
Beef	3	3	-1.0	-1.5	-
Imported lamb	1	0	-	-	-
Pork	1	1	1.6	0.1	-
Bacon	1	1	0.8	-0.2	-
Poultry	4	3	-0.2	-	-
Other meat	6	6	-0.7	-0.3	-
Processed fish	2	2	1.7	-1.4	-0.01
Butter	1	1	-0.2	2.6	-
Oils and fats	1	1	5.6	6.5	-
Cheese	3	3	2.4	-1.7	-0.01
Milk, fresh	3	3	-0.7	-0.3	-
Milk products	4	4	-1.3	-0.7	-
Tea	1	1	1.6	3.4	-
Soft drinks	9	9	-0.7	-1.6	-0.01
Sugar and preserves	1	1	-0.8	-0.8	-
Sweets and chocolates	11	12	-0.2	-0.1	-
Potato products	3	3	-0.6	0.7	-
Processed vegetables	2	2	2.5	-0.9	-0.01
Processed fruit	1	2	-3.6	-1.3	-
Other foods	11	12	-0.1	-0.7	-0.01
Coffee and other hot drinks	2	2	-0.2	5.0	0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Processed fish, cheese and processed vegetables**, where prices overall fell this year but rose a year ago, particularly for frozen fish fingers, cheese spread and canned tomatoes; and
 - **Soft drinks and other foods**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from cook-in sauces and dried potted snacks. Partially offset by small upward contributions coming from chilled pizza and mayonnaise, where prices overall rose this year but fell a year ago.
- Partially offset by:
 - **Coffee and other hot drinks**, where prices overall rose this year but fell a year ago, with the main upward contribution coming from instant coffee; and
 - **Biscuits and cakes**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from packs of individual cakes and crumpets. Partially offset by small downward contributions coming from whole sponge cakes and chocolate biscuits, where prices overall fell this year but rose a year ago.

CATERING	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
CATERING	49	51	0.2	0.3	-
Restaurant meals	29	30	0.2	0.3	-
Canteen meals	3	3	-	0.6	-
Take-away meals and snacks	17	18	0.3	0.2	-

- Negligible overall effect on the all items 12-month rate change.

ALCOHOLIC DRINKS	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	59	62	-	1.2	0.07
Beer on sales	19	19	0.1	1.6	0.03
Beer off sales	6	6	0.6	0.9	-
Wines and spirits on sales	19	21	0.2	1.7	0.03
Wines and spirits off sales	15	16	-0.5	0.2	0.01

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Beer on sales** and **wines and spirits on sales**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from draught bitter, draught lager, vodka and wine; and
 - **Wines and spirits off sales**, where prices overall rose this year but fell a year ago.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

TOBACCO	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
TOBACCO	23	22	0.1	0.5	0.01
Cigarettes	18	18	-	0.4	0.01
Other tobacco products	5	4	0.1	0.8	-

- Small upward effect on the all items 12-month rate change.
- Due to **cigarettes**, where prices overall rose this year but were little changed a year ago.

HOUSING	Weight	Weight	1 month	1 month	Contribution to RPI annual rate change
	Jul 2019	2020	% change	% change	
	onwards		Jul 2019	Jul 2020	
HOUSING	258	266	0.2	0.4	0.06
Rent	75	82	-	0.4	0.03
Mortgage interest payments	25	24	0.4	0.4	-
Council Tax and rates	39	41	-	-	-
Water and other charges	12	13	-	-	-
Repairs and maintenance charges	10	9	0.2	-	-
DIY materials	7	7	-0.3	0.1	-
Dwelling insurance and ground rent	6	6	0.8	0.1	-
House depreciation	84	84	0.3	0.7	0.04

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **House depreciation**, where the smoothed house price index used to calculate this component rose this year by more than a year ago; and, to a lesser extent,
 - **Rent**, where charges overall rose this year but were little changed a year ago, with the main upward contribution coming from Registered Social Landlord (RSL) rents.

FUEL AND LIGHT	Weight	Weight	1 month	1 month	Contribution to RPI annual rate change
	Jul 2019	2020	% change	% change	
	onwards		Jul 2019	Jul 2020	
FUEL AND LIGHT	35	40	-0.1	-	0.02
Coal and solid fuels	1	1	-0.2	0.4	-
Electricity	17	21	-	-0.1	-
Gas	14	15	-	-	0.01
Oil and other fuels	3	3	-0.4	0.6	-

- Small upward effect on the all items 12-month rate change.
- Due to **gas**, where the upward contribution is due to weight changes in 2019. Average charges were unchanged both this year and a year ago. However, the weight for gas decreased between June and July 2019, which resulted in a small upward effect on the all items 12-month rate change.

HOUSEHOLD GOODS	Weight	Weight	1 month	1 month	Contribution
	Jul 2019	2020	% change	% change	to RPI annual
	onwards		Jul 2019	Jul 2020	rate change
HOUSEHOLD GOODS	68	67	-2.0	-1.0	0.07
Furniture	27	27	-3.7	-1.9	0.05
Furnishings	9	9	-1.4	-0.4	0.01
Electrical appliances	7	6	-1.7	1.0	0.02
Other household equipment	5	4	-1.6	0.9	0.01
Household consumables	11	12	-0.2	-1.5	-0.02
Pet care	9	9	0.3	-0.2	-

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Furniture** and, to a lesser extent, **furnishings**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from single beds, patio tables and chairs, bath sheets, chests of drawers, bookcases and mattresses. Partially offset by small downward contributions coming from non-leather settees and tufted carpets; and
 - **Electrical appliances** and **other household equipment**, where prices overall rose this year but fell a year ago, particularly for smart phone handsets.
- Partially offset by **household consumables**, where prices overall fell this year by more than a year ago, particularly for toilet rolls.

HOUSEHOLD SERVICES	Weight	Weight	1 month	1 month	Contribution
	Jul 2019	2020	% change	% change	to RPI annual
	onwards		Jul 2019	Jul 2020	rate change
HOUSEHOLD SERVICES	62	55	-	0.4	0.02
Domestic services	14	12	0.1	0.6	0.01
Fees and subscriptions	23	18	0.5	0.2	-0.01
Postage	1	1	-	-	-
Telephone charges	24	24	-0.5	0.4	0.02

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **Telephone charges**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from bundled telecommunication services and mobile phone applications. Partially offset by a small downward contribution coming from mobile phone charges, where average charges fell this year but rose a year ago; and
 - **Domestic services**, where prices overall rose this year by more than a year ago.
- Partially offset by **fees and subscriptions**, where prices overall rose this year by less than a

year ago.

CLOTHING AND FOOTWEAR	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	39	37	-2.7	-0.5	0.09
Men's outerwear	8	7	-1.9	-0.1	0.02
Women's outerwear	14	13	-4.2	-2.2	0.03
Children's outerwear	4	4	-1.9	0.9	0.01
Other clothing	5	5	-2.8	0.1	0.01
Footwear	8	8	-0.9	1.0	0.01

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Women's outerwear** and **men's outerwear**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from women's jackets, formal trousers and jumpers, and men's casual jackets/coats. Partially offset by small downward contributions coming from women's casual trousers and short sleeve/sleeveless formal tops; and
 - **Children's outerwear**, **other clothing** and **footwear**, where prices overall rose this year but fell a year ago, particularly for women's nightdresses/pyjamas.

PERSONAL GOODS AND SERVICES	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	43	42	-0.2	1.1	0.05
Personal articles	11	10	-0.5	-	-
Chemists' goods	16	16	-0.4	-0.3	-
Personal services	16	16	0.3	3.1	0.05

- Large upward effect on the all items 12-month rate change.
- Due to **personal services**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from basic private dental examinations, men and women's hairdressing, and manicures.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

MOTORING EXPENDITURE	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
MOTORING EXPENDITURE	125	113	-0.5	0.5	0.12
Purchase of motor vehicles	51	37	0.2	-0.3	-0.02
Maintenance of motor vehicles	17	15	-	-0.6	-0.01
Petrol and oil	35	37	-2.0	4.2	0.20
Vehicle tax and insurance	22	24	-0.2	-2.2	-0.05

- Largest upward effect on the all items 12-month rate change.
- Due to **petrol and oil**, where prices overall rose this year but fell a year ago. The price of petrol, as recorded for the RPI, rose by 4.8 pence per litre between June and July 2020, to stand at 111.2 pence per litre, compared with a fall of 2.0 pence per litre last year, to stand at 126.9 pence per litre. Diesel prices rose by 4.2 pence per litre, to stand at 116.7 pence per litre in July 2020, compared with a fall of 3.7 pence per litre last year, at 131.7 pence per litre.
- Partially offset by:
 - **Vehicle tax and insurance**, where average premiums for car insurance fell this year by more than a year ago; and, to a lesser extent,
 - **Purchase of motor vehicles**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from second-hand cars. Partially offset by a small upward contribution coming from new cars, where prices overall rose this year by more than a year ago; and
 - **Maintenance of motor vehicles**, where prices overall fell this year but were little changed a year ago, with the main downward contribution coming from roadside recovery services.

FARES AND OTHER TRAVEL COSTS	Weight Jul 2019 onwards	Weight 2020	1 month % change Jul 2019	1 month % change Jul 2020	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	28	26	5.7	5.0	-0.03
Rail fares	7	7	-	-1.2	-0.01
Bus and coach fares	3	3	1.3	7.6	0.02
Other travel costs	18	16	8.2	6.9	-0.04

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Other travel costs**, where average air fares rose this year by less than a year ago; and, to a lesser extent,
 - **Rail fares**, where average fares fell this year but were little changed a year ago, with the main downward contribution coming from international rail fares.

- Partially offset by **bus and coach fares**, where average coach fares rose this year by more than a year ago.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this month is in relation to the imputed index in June.

LEISURE GOODS	Weight	Weight	1 month	1 month	Contribution
	Jul 2019	2020	% change	% change	to RPI annual
	onwards		Jul 2019	Jul 2020	rate change
LEISURE GOODS	24	26	1.1	0.6	-0.01
Audio-visual equipment	4	5	-1.5	-	0.01
CDs and tapes	1	1	-6.0	-1.9	-
Toys, photographic and sports goods	9	9	3.3	1.4	-0.02
Books and newspapers	5	5	1.3	1.5	-
Gardening products	5	6	0.2	-0.8	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - Toys, photographic and sports goods**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from computer game downloads and computer game consoles; and
 - Gardening products**, where prices overall fell this year but rose a year ago, particularly for potted shrubs. Partially offset by a small upward contribution coming from spray carnations, where prices overall rose this year by more than a year ago.
- Partially offset by **audio-visual equipment**, where prices overall were little changed this year but fell a year ago.

LEISURE SERVICES	Weight	Weight	1 month	1 month	Contribution
	Jul 2019	2020	% change	% change	to RPI annual
	onwards		Jul 2019	Jul 2020	rate change
LEISURE SERVICES	86	91	0.7	1.7	0.10
TV licence and rentals	10	14	-	-	-
Entertainment and other recreation	16	16	0.5	0.5	-
Foreign holidays	47	50	0.6	2.7	0.11
UK holidays	13	11	2.0	1.3	-0.01

- Large upward effect on the all items 12-month rate change.
- Due to **foreign holidays**, where prices overall rose this year by more than a year ago.
- Partially offset by **UK holidays**, where prices overall rose this year by less than a year ago.
- Some of these items have been unavailable in recent months due to the current coronavirus (COVID-19) pandemic and price collection restarted in July. Therefore, the movement this

month is in relation to the imputed index in June.

RECONCILIATION OF CPIH AND RPI

(Table 5a of the Consumer Price Inflation Dataset)

This table identifies the main factors contributing to the differences between the unrounded inflation rates for the CPIH and the RPI. These differences are broken down into: mortgage interest payments, other housing components excluded from the CPIH, imputed rents (included in CPIH as a measure of owner occupiers' housing costs and excluded from RPI), other differences in the coverage of goods and services, and the formula effect. The final component titled 'other differences including weights' is derived as a residual.

The corresponding figures for the Consumer Prices Index (CPI) can be found in Table 5b of the [Consumer price inflation dataset](#).

The difference between the CPIH and RPI unrounded annual rates in July 2020 was -0.50 percentage points, widening from -0.29 percentage points in June 2020.

The main factors contributing to the widening were:

- **Other differences including weights**, which increased the RPI 12-month rate relative to the CPIH 12-month rate by 0.16 percentage points between June and July 2020. The effect came mainly from fuels and lubricants; and games, toys and hobbies and equipment for sport and open-air recreation. This was offset slightly by a narrowing effect from insurance; airfares; and clothing and footwear. Also, observed effects in this category will encompass differences between imputed price movements, for items that are currently unavailable to consumers to purchase, in the CPIH and the RPI. The [coronavirus and the effects on UK prices](#) article describes the approach we have taken.
- **Other housing components**, which increased the RPI 12-month rate relative to the CPIH 12-month rate by 0.03 percentage points between June and July 2020. The effect came mainly from house depreciation.
- **The formula effect**, which increased the RPI 12-month rate relative to the CPIH 12-month rate by 0.02 percentage points between June and July 2020. The effect came mainly from recreation and culture. This was partially offset by hotels, cafes and restaurants.

There were no significant offsetting factors.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		May 2020	June 2020	July 2020
Fuel per litre	Diesel	£1.12	£1.13	£1.17
	Petrol	£1.05	£1.06	£1.11
Alcohol pub prices	Draught bitter (pint)			£3.19
	Draught lager (pint)			£3.79
	Whisky (per nip)			£3.11
Cigarettes	Per 20 king size	£11.12	£11.12	£11.17

Average prices are as recorded for the RPI.

Due to the coronavirus pandemic (COVID-19), we have been unable to collect alcohol pub prices.

Changes in Mortgage Interest Rates

This table gives an estimate of the contribution that changes in the average mortgage interest rate (MI) make to the 1-month percentage change in the RPI.

Month	1-month % change in the RPI	Approx. change in average MI rate	Approx. contribution to the 1-month % change in the RPI
July 2019	0.0	Negligible	-
August 2019	+0.8	Negligible	-
September 2019	-0.2	Negligible	-
October 2019	-0.2	Down 0.02% points	-0.02% points
November 2019	+0.2	Down 0.01% points	-0.01% points
December 2019	+0.3	Negligible	-
January 2020	-0.4	Down 0.03% points	-0.03% points
February 2020	+0.5	Down 0.02% points	-0.02% points
March 2020	+0.2	Negligible	-
April 2020	0.0	Down 0.02% points	-0.02% points
May 2020	-0.1	Down 0.13% points	-0.13% points
June 2020	+0.2	Down 0.04% points	-0.04% points
July 2020	+0.5	Negligible	-

NB: A one percentage point change in the average mortgage interest rate contributes approx. 1.0 percentage points to the 1-month percentage change in the RPI.

Please note that the movements in mortgage interest rates in April and May 2020 are affected by an error in the series for April. In line with the published revisions policy, the series has not been revised. However, the issue has been corrected and does not affect the rate for May or future months.

OUTLOOK

The outlook is a summary of seasonal trends, selected news cuttings and other sources of information. It gives some indication of expected changes to the annual rate of the CPIH and RPI in the next few months.

COVID-19

In preparing to collect the prices for this publication, we identified 12 goods or services across the CPIH/CPI and RPI baskets of goods and services that were unavailable for consumers. These are listed in table 58 of the [Consumer price inflation dataset](#), together with the changes in unavailable items between June and July.

As the collection issues are likely to continue in subsequent months, we are continuing to monitor the resumption of services stopped during the lockdown period, and we will carefully consider how we will reintroduce items in the coming months. Our price collectors will be able to resume in-store collections for the August 2020 index (due to be published on 16 September 2020), which is detailed in our [Consumer price statistics: resuming a field-based price collection](#) article.

FOOD

Seasonal Food

- Seasonal food prices have shown a mixed pattern of rises and falls in August of recent years, but are typically dependent on weather conditions both in the UK and around the world.

Monthly % change for CPIH seasonal food index			
Year	June	July	August
2014	-0.5	0.2	-0.3
2015	-	-1.4	-0.4
2016	-0.8	0.5	-0.3
2017	-0.3	-0.4	-0.1
2018	-0.9	-0.6	0.8
2019	1.1	0.1	-0.5
2020	-0.8	-1.2	

- Seasonal food prices in the RPI tend to show a similar movement.

CLOTHING AND FOOTWEAR

- Prices tend to recover in August following summer sales.

Monthly % change for CPIH clothing and footwear index			
Year	June	July	August
2014	0.6	-5.7	2.6
2015	-0.4	-3.3	1.5
2016	-0.7	-3.4	1.0
2017	-1.0	-2.9	2.4
2018	-2.1	-3.7	3.1
2019	-1.0	-2.9	1.8
2020	-0.1	-0.7	

- The clothing and footwear group in the RPI exhibits a similar seasonal pattern.

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to recover in August following summer sales.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	June	July	August
2014	0.2	-1.5	1.0
2015	0.4	-1.5	1.7
2016	-0.3	-1.7	1.4
2017	0.5	-1.2	1.8
2018	0.3	-1.8	1.2
2019	0.7	-1.7	1.0
2020	0.8	-0.4	

- The household goods group in the RPI exhibits a similar seasonal pattern.

TRANSPORT

Fuels and Lubricants

- Oil prices have risen as China's plans to increase U.S. crude imports countered rising tensions between the two major consumers, and as sources said OPEC+ producers almost fully complied in July with their global production cut accord. Brent crude rose 31 cents, or 0.7%, to \$45.11 a barrel, and U.S. West Texas Intermediate crude was up 44 cents, or 1%, to \$42.45 a barrel. (uk.reuters.com 17 August 2020)
- When considering the price of petrol between July and August 2020, it may be useful to note that the average price of petrol rose by 1.0 pence per litre between July and August 2019, to stand at 128.3 pence per litre as measured in the CPIH.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.02 percentage points to the 1-month change in the CPIH.

Passenger Transport by Air

- Air fares have tended to rise more slowly in August compared to July.

Monthly % change for CPIH air fares index			
Year	June	July	August
2014	7.0	14.0	11.3
2015	0.3	21.6	13.9
2016	10.9	15.9	14.4
2017	14.5	17.9	10.9
2018	8.1	20.1	13.5
2019	4.5	12.0	22.4
2020	4.8	9.4	

The air fares index used in the RPI is the same as that used in the CPIH and is included in the **other travel costs** section.

HOUSING (RPI)

Mortgage Interest Payments (MIPs)

- The Bank of England Bank Rate was unchanged at 0.10% on Thursday 6 August 2020. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 17 September 2020.
- The change in average mortgage interest rates recorded in the RPI was negligible between July and August 2019. The Bank of England Bank Rate remained unchanged at 0.75% in July 2019.
- A one percentage point change in the average mortgage interest rate contributes approximately 1.0 percentage points to the 1-month percentage change in the RPI.

Next publication:

16 September 2020

Media contact:

Tel: Lisa Birkbeck +44 (0) 845 604 1858
Out of hours media line +44 (0) 7867 906553
Email: media.relations@ons.gov.uk

Statistical contact:

Tel: Andy King +44 (0) 1633 456508
Email: cpi@ons.gov.uk

Website: www.ons.gov.uk

Consumer Price Inflation recorded message (available after 8.00am on release day):

Tel: +44 (0) 800 0113703

Consumer Price Inflation Enquiries:

Tel: +44 (0) 1633 456900